

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN

IN RE:

HON. JEFFREY R. HUGHES

STEVEN M. PEKRUL and JULIE E. PEKRUL,

Debtors.

Case No. 05-91299

Chapter 7

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TRUSTEE'S MOTION TO APPROVE SALE OF DEBTORS'
1/4 INTEREST IN EQUITY OF REAL ESTATE LOCATED
IN NEWBERRY, MICHIGAN, TO DEBTORS

Chapter 7 Trustee, Colleen M. Olson, through her attorneys, Foster, Swift, Collins & Smith, P.C., for her motion to approve the sale of Debtors' 1/4 interest in the equity of the real estate located in Newberry, Michigan to the Debtors pursuant to 11 U.S.C. §363(b)(1), states as follows:

1. Among the assets of their estate, the Debtors list a 1/4 interest in real estate located in Newberry, Michigan ("Real Estate").
2. The Real Estate is owned jointly between the Debtor, Steven M. Pekrul, and Michael E. Pekrul, David Pekrul and Daniel E. Pekrul as joint tenants.

3. Upon information and belief, the Real Estate has a fair market value of approximately \$97,900. The Real Estate is owned free and clear of any liens.

4. The Debtors' 1/4 interest in the Real Estate equals \$24,474. The Debtors exempted \$8,200, leaving non-exempt equity in the amount of \$16,275.

5. The Debtors have offered to purchase the equity from the estate for the amount of \$12,000.

6. After paying administrative claims, the Trustee believes there will be a distribution to unsecured creditors.

7. The sale would be on a "where is" and "as is" basis with no warranties or representations made by the Trustee or the Trustee's attorneys.

8. The Trustee believes it will be in the best interest of the estate to sell the equity in the Real Estate to the Debtors. If the Trustee were to sell the Real Estate through a realtor or at auction, the estate may end up with less than the settlement amount. Also, if the Trustee were to sell the Real Estate pursuant to 11 U.S.C. §363(h), the estate would incur additional costs and end up with the same settlement amount or less.

9. A copy of the proposed Order Granting Trustee's Motion to Approve Sale of Equity in Real Estate to Debtors is attached hereto as Exhibit A.

WHEREFORE, Chapter 7 Trustee, Colleen Olson, respectfully requests that:

a. the Trustee be authorized to sell the Debtors' 1/4 interest in the equity of the Real Estate located in Newberry, Michigan, to the Debtors for the amount of \$12,000;

b. the sale shall be on a "where is" and "as is" basis with no representations or warranties made by the Trustee or the Trustee's attorneys; and

c. this Honorable Court grant the Trustee such other and further relief as it deems just and equitable.

Respectfully submitted,

FOSTER, SWIFT, COLLINS & SMITH, P.C.
Attorneys for Chapter 7 Trustee

Dated: May 24, 2006

By: /s/Emily L. Matthews
Emily L. Matthews (P61477)

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Chapter 7

**NOTICE OF TRUSTEE'S MOTION TO APPROVE SALE OF DEBTORS' 1/4 INTEREST
IN EQUITY OF REAL ESTATE LOCATED IN NEWBERRY, MICHIGAN, TO DEBTORS**

Chapter 7 Trustee, Colleen Olson, has filed papers with the court for approval of the sale of the Debtors' 1/4 interest in the equity of real estate located in Newberry, Michigan, to the Debtors.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

If you do not want the court to approve the Trustee's Motion to Approve Sale, or if you want the court to consider your views on the Trustee's motion, within 20 days, you or your attorney must:

1. File with the court a written response or an answer, explaining your position at:¹

U. S. Bankruptcy Court
Western District of Michigan
One Division Ave., N.W., Rm. 200
Grand Rapids, MI 49503

If you mail your response to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above.

You must also mail a copy to:

Emily L. Matthews (P61477)
Foster, Swift, Collins & Smith, P.C.
313 S. Washington Square
Lansing, MI 48933
(517) 371-8100

2. If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time and location of the hearing.

If you or your attorney do not take these steps, the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: May 25, 2006

Signature: /s/ Emily L. Matthews

Emily L. Matthews (P61477)
Foster, Swift, Collins & Smith, P.C.
Attorneys for Chapter 7 Trustee
313 S. Washington Square
Lansing, MI 48933

¹Response or answer must comply with F.R. Civ.P. 8(b), (c) and (e)